

January 28, 2010

ConnectME Authority
Philip Lindley, Executive Director
Statehouse Station 138
Augusta, ME 04333-0138

Dear Mr. Lindley,

Oxford Networks has several small service areas in our ILEC without access to broadband service. These are remote areas beyond the 21 kft mark in which we feel is beyond an acceptable distance to provide a stable broadband offering. We consistently receive requests from these areas but it has been cost prohibitive to expand to them. Since we are the incumbent provider for these areas, we are not aware of any other service providers offering broadband services to these customers.

Our plans to offer service into these areas will utilize new hardened DSLAMs that will be connected by copper and fiber umbilical's back to our corresponding Central Office. We expect to be able to offer up to 5 Meg downstream and 1 Meg up as a result of these deployments. There is also an expectation to exceed that rate in the future, as technology permits. If awarded the grant from the ConnectME Authority, we estimate that it would take approximately two to three months to deploy the facilities and electronics to support the areas in question.

The following communities would receive 100% coverage capability based on the project plan. The subscription rate may be higher than average based on the lack of broadband connectivity in these rural areas of Western Maine. We typically experience a take rate of between 35%-40% in similarly sized areas in which we do offer broadband connectivity.

Turner, ME - 181 Households

Sumner, ME – 111 Households

Bethel, ME - 85 Households

West Paris, ME – 80 Households

Bryant Pond, ME - 59 Households

Andover, ME - 51 Households

North Norway, ME – 53 Households

Oxford Networks has earmarked no funding in 2010 to supply broadband to these areas. Therefore, we are seeking 100% funding of this project.

The total project cost is \$329,000, of which \$121,000 is for the middle mile (fiber and copper feed cable) and \$208,000 is for electronic equipment, such as DSLAM's.

Oxford Networks has a great deal of experience with offering broadband successfully to our customers. We started offering broadband to our customer base in 1998 and now successfully reach 92% of our dial tone subscribers with broadband services with an average take rate of 35%. As a recipient of an award in the amount shown above, Oxford Networks would effectively offer 98% of the customers in our service area access to at least a 5/1 broadband internet access connection.

Sincerely,

Cal H. Richardson

Central Office Manager

cc:

Dawna Hannan, Oxford Networks

Brian Paul, Oxford Networks

Mike D. Newton, Oxford Networks